Minimum support prices of Kharif

3331. SHRI B. K. HARIPRASAD: Will the Minister of AGRICULTURE be pleased to state:

(a) whether it is a fact that the recent increase in the minimum support prices of Kharif 1993 harvest is much more than recommended by the Commission on Agricultural Costs and Prices;

(b) if so, whether Government realise there being no corresponding hike in Public Distribution System the subsidy incidence will soar to new levels; and

(c) what is the rationale behind massive support prices for groundnut and sunflower which are less export competitive and thus prove to be a liability unlike cotton?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI ARVIND NETAM): (a) For the Kharif crops 1993-94 season, the minimum support prices have been fixed at the levels recommended by the CACP except in the case of fine and superfine varieties of Paddy, Groundnut, Sunflower and Cotton for which the Government have fixed prices at higher levels keeping in view the recommendations of State Governments for higher minimum support prices and the need for encouraging their production, higher market prices, etc.

(b) It is well known that any increase in the minimum support prices of Paddy results in increase in the procurement cost of Rice to the Food Corporation of India and if the increase in the procurement cost is not passed on to consumers, the burden on food subsidy budget of the Government increases.

(c) With a view to maintain inter-crop parity and achieve desired cropping pattern, the Government has effected an increase of Rs. 50 per quintal in case of Groundnut and Sunflower seed for the 1993-94 season as compared to the previous season.

Providing Food to Workers engaged in Afforestation in Southern Rajasthan

3332. SHRI RAMDAS AGARWAL : Will the Minister of AGRICULTURE be pleased to state:

(a) whether the United Nations World Food Programme's Director and Government have signed any Agreement for providing food for workers engaged in afforestation in Southern Rajasthan on subsidised basis as reported in the 'Hindustan Times' dated 23rd July, 1993;

(b) if so, the details thereof indicating the total aid, item of food, actual beneficiaries and number of districts likely to be covered during 1993-94 and 1994—97; and

(c) what is the total foreign fund so far given for this project and whether any matching fund provided by Government indicating the amount so far spent (1993-94) and provisions made during 1994—97?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI ARVIND NETAM) : (a) and (b) Yes, Sir. On 22-7-93, Plan of Operations was signed between Government of India and World Food Programme (WFP) under which WFP will provide food aid valued at 13.8 million US dollars comprising 51,600 metric tons of wheat, 1,935 metric tons of vegetable oil and 5,160 metric tons of pulses of over a period of 5 years for supporting afforestation activities in the districts of Udaipur, Rajasmand, Banswara, Dungarpur; Chittorgarh; Sirohi, Bhilwara, Kota, Barran, Jhalawar, Bundi; Tonk and Ajmer. These commodities will be provided to an average of 43,000 labourers annually engaged in afforestation activities and their families at subsidised prices.

(c) WFP does not provide assistance in the form of funds. WFP food aid under the Plan of Operations will commence shortly. Government of Rajasthan will bear the expenditure for the management of food commodities which is estimated to be of the order of 3.28 million US dollars over the period of 5 years.